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ABSTRACT

Research on justice in organizational behavior has emphasized distributive rather than procedural justice. Distributive justice focuses on the fairness of rewards, while procedural justice focuses on the fairness of the procedures used in allocating rewards. To examine the procedural-distributive justice distinction as it relates to organizatonal behavior in terms of job satisfaction, conflict, evaluation of supervisor, trust in management, turnover intention, and stress, 2,822 federal government employees (55 percent female, 77 percent white, mean age 41.1) completed a seven-point Likert questionnaire assesing their perceptions of a major reform in the civil service procedures and traditional aspects of the work site. An analysis of the results showed that perceived fairness in the workplace was significantly related to organizational outcomes. Both procedural and distributive justice measures significantly related to job satisfaction, evaluation of supervisor, conflict/harmony, trust in management, and turnover intention. Procedural justice accounted for significantly more variance than distributive justice for four of the five dependent measures. Only in turnover intention did distributive justice account for more variance than procedural justice. (BL)

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THE INFLUENCE OF PROCEDURAL AND DISTRIBUTIVE JUSTICE ON ORGANIZATIONAL BEHAVIOR

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Presented at the annual meeting of the American Psychological Association, Anaheim, California, August 28, 1983

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ABSTRACT

THE INFLUENCE OF PROCEDURAL AND DISTRIBUTIVE JUSTICE ON ORGANIZATIONAL BEHAVIOR

MOST PREVIOUS WORK ON THE ROLE OF EQUITY-FAIRNESS-JUSTICE IN ORGANIZATIONAL BEHAVIOR FOCUSED ON ISSUES OF DISTRIBUTIVE JUSTICE AND IGNORED THE ROLE OF PROCEDURAL JUSTICE. THE PRESENT REPORT EMPHASIZES THE IMPORTANCE OF PROCEDURAL FAIRNESS IN UNDERSTANDING RELATIONSHIPS BETWEEN FAIRNESS AND ORGANIZATIONAL OUTCOMES. SURVEY RESPONSES OF 2800 FEDERAL EMPLOYEES WERE STUDIED. MEASURES OF PROCEDURAL AND DISTRIBUTIVE FAIRNESS WERE FACTOR-ANALYTICALLY DERIVED. MULTIPLE REGRESSION ANALYSES INDICATED THAT BOTH PROCEDURAL AND DISTRIBUTIVE FAIRNESS WERE SIGNIFICANTLY RELATED TO JOB SATISFACTION, EVALUATION OF SUPERVISOR, CONFLICT/HARMONY, TRUST IN MANAGEMENT, AND TURNOVER INTENTION. PROCEDURAL FAIRNESS ACCOUNTED FOR SIGNIFICANTLY MORE VARIANCE THAN DISTRIBUTIVE FAIRNESS FOR FOUR OF THESE FIVE DEPENDENT MEASURES.

ALEXANDER AND RUDERMAN, APA, AUGUST 28, 1983

The Influence of Procedural and Distributive Justice on Organizational Behavior[1]

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Most empirical and theoretical work on equity-fairness-justice, whether in industrial or laboratory settings, has given disproportionate emphasis to distributive justice and ignored or underestimated the role of procedural justice in social and organizational behavior. The study of distributive justice focuses on the fairness of rewards (or punishments); the study of procedural justice examines the fairness of the procedures used in allocating the rewards. We assert that to understand the role of judgments of fairness in human interaction one must investigate process as well as outcome variables, and that this is especially true in studying complex organizations. Lawler (1977) has noted that the distribution of rewards such as pay, promotion, status, job tenure, etc. can have powerful effects on job satisfaction, quality of work life and organizational effectiveness. Excellent work on equity has been reported by such authors as J. S. Adams (1963, 1965), P. Goodman (1974), and E. E. Lawler (1968, 1971). Whatever reward system studied, however, the emphasis has been more on the perceived fairness of the allocations than on the perceived fairness of procedural aspects of the allocation process. Procedural fairness has generally been ignored in equity research on organizations.

Some research on procedural justice has been carried out in laboratory experiments by social psychologists. Thibaut & Walker (1975) report a series of studies in legal and quasi-courtroom situations, but these results are not useful in understanding the fairness of allocation situations in organizations. Tyler and Caine (1981) demonstrate that procedural fairness can have effects independent of distributive fairness, but their respondents were dealing with

abstract or artificial situations.

Dittrich and Carroll (1979) found that measures of perceived fairness in a work setting were related to job satisfaction and absence criteria. However, their fairness measures intermingled both procedural and distributive fairness, so that the procedural-distributive distinction could not be examined.

The present study attempts to determine whether the procedural-distributive fairness distinction is important to an understanding of how equity-fairness-justice variables relate to organizational behavior. The specific organizational outcomes examined are job satisfaction, conflict in the workplace, evaluation of supervisor, trust in management, turnover intention and symptoms of stress/strain.

Method

Sample

2822 employees in six federal government installations located in Washington, D.C. and various parts of the midwest served as subjects. Fifty-five percent of respondents were female, 45% male. Seventy-seven percent were white, 21% Black, 2% other. Ages ranged from 17 to 74, with a mean age of 41.1 years.

Procedure

Essentially the same survey questionnaire was used at all installations, and was administered by non-government survey research staff during regular working hours. Participation was voluntary and respondents were assured of confidentiality. The questionnaire was designed to examine employees' perceptions of a major reform in civil service procedures as well as more traditional aspects of work settings. The items used 7 point Likert scale response options.

This study analyzes only a small portion of the items included in the survey: 1) Measures related to procedural and distributive fairness, and 2) measures of organizational outcomes. The fairness measures served as predictor

variables and the organizational outcome measures were the dependent variables.

1. Twenty items dealing with procedural or distributive aspects of fairness were selected, and a factor analysis with orthogonal varimax rotation was carried out. This yielded six fairness scales, with coefficient alpha reliabilities ranging from .67 to .88. Three scales were identified with procedural fairness: Participation, Appeals Procedure Fairness, Performance Appraisal Fairness. Three scales were identified with distributive fairness: Pay equity, Promotion-Performance Contingency, Sanctions for Poor Performance.

2. Organization outcome measures were selected on the basis of hypothesized theoretical relationships to fairness and equity. Most of the measures were adaptations of scales on the Michigan Organizational Assessment Questionnaire (Cammann, et al., in press). The six scales used as dependent variables were labeled: Job Satisfaction, Evaluation of Supervisor, Conflict/Harmony, Trust in Management, Turnover Intention, Stress/Strain.

Results

Simple Fairness-Organizational Outcome Relationships

The data from 1835 subjects with no missing scores were used in simple multiple regression analysis to examine how the six fairness variables (3 procedural and 3 distributive) as a group were related to each of the dependent measures.

Five of the six regression analyses yielded statistically significant results. Only the Stress/Strain measure was unrelated to the fairness measures ($R=.038$). In the other five cases, the multiple correlation coefficients were statistically significant beyond the $p < .0001$ level. The multiple R's ranged from .392-.615. These results indicate that the fairness measures, as a group, are associated with Job Satisfaction ($R=.435$), Evaluation of Supervisor ($R=.612$), Conflict/Harmony ($R=.495$), Trust in Management ($R=.510$), and Turnover Intention ($R=.376$).

The Procedural-Distributive Fairness Distinction and Relationships to Organizational Outcomes

Two sets of separate multiple regression analyses were carried out. In one set of analyses, the three procedural fairness scales served as the predictors. In the other set, the three distributive fairness measures served as the predictor variables. For five of the six dependent variables, both the procedural fairness set and the distributive fairness set yielded statistically significant multiple correlation coefficients ($p < .001$). Only Stress/Strain was unrelated to either procedural or distributive fairness.

The final steps in the analysis examined the question of whether procedural or distributive fairness makes a greater contribution to the relationship with each of the organizational outcome variables.

Two approaches were used to examine this issue. In the first, a hierarchical model for sets (Cohen & Cohen, 1975) type of multiple regression was used. The incremental contribution of each set of independent variables was assessed by adding each set of variables to the regression equation after the other set of variables had been entered. Thus, for each dependent variable two regression analyses were conducted: One in which the distributive fairness measures were added after procedural fairness had been accounted for ("distributive beyond procedural"), and a second in which procedural fairness was added to the equation after distributive fairness was accounted for ("procedural beyond distributive"). Increases in R^2 from the inclusion of the second set of variables represented the unique effects of the second set of variables. The Stress/Strain dependent variable again yielded no significant results. The results for the other five dependent measures indicated that for four of them (Job Satisfaction, Evaluation of Supervisor, Conflict/Harmony, Trust in Management) procedural fairness accounted

for more of the variance in the dependent variables than did distributive fairness. For Turnover Intention, distributive fairness accounted for more variance than procedural fairness.

In the second approach to the procedural vs. distributive issue twenty subsamples of 100 people each were randomly selected from the total sample of survey respondents. For each subsample two multiple regression analyses were performed, one for procedural fairness and another for distributive fairness. That is, each of the 20 subsamples yielded a multiple R for the procedural fairness predictor and a separate multiple R for the distributive fairness predictor for each of the dependent variables. The resulting 20 multiple R's for procedural fairness and 20 multiple R's for distributive fairness were compared by means of a paired t test (using Fisher's transformation).

This analysis yielded statistically significant results for five of the six organizational outcome variables ($p < .01$). For Turnover Intention, the coefficients for the distributive justice variables are significantly larger than the coefficients for the procedural justice variables ($t = 6.23$). For four dependent measures the opposite is true. The multiple correlation coefficients for procedural fairness are significantly larger than those for distributive fairness for Job Satisfaction ($t = 3.35$), Evaluation of Supervisor ($t = 6.16$), Conflict/Harmony ($t = 5.82$) and Trust in Management ($t = 4.04$). These results are consistent with those yielded by the preceding analyses using the hierarchical model for sets.

Discussion and Conclusions

The results indicate that perceived fairness in the workplace is significantly related to organizational outcomes. More specifically, the research reported here shows that (1) factorially independent measures of procedural fairness and

distributive fairness can be derived, (2) that both procedural fairness and distributive fairness measures predict significantly to organizational outcome variables such as Job Satisfaction, Evaluation of Supervisor, Conflict/Harmony, Trust in Management, and Turnover Intention, and (3) that procedural fairness and distributive fairness have distinctive relationships to organizational outcome measures. Procedural fairness made a significantly larger contribution to the multiple regression equations for four of the five dependent measures which related to fairness, while distributive fairness made a significantly larger contribution to the multiple regression equation for one of the five dependent measures.

The results demonstrate that procedural fairness is an important element in relationships between perceived fairness and organizational outcomes, and that the procedural fairness--distributive fairness distinction can be useful in studying the role of justice-fairness-equity in organizational behavior. The question of whether procedural fairness is generally more important than distributive fairness, as in our results for federal government employees, awaits further research in other settings.

FOOTNOTES

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